

authority within the physical electricity and natural gas markets while preserving CFTC's role to ensure that the futures markets operate in a fair and orderly manner.

FERC also has an obligation to police the physical electricity and natural gas markets for fraud and manipulation and punish any wrongdoing. In the aftermath of the California energy crisis and the schemes perpetrated by Enron and others, Congress gave FERC under EPCA 2005 more robust authorities to prevent fraud and market manipulation by allowing a penalty of up to \$1 million per violation per day. In Fiscal Year 2009, FERC's policing efforts yielded approximately \$38.3 million in civil penalties and recovered \$38.7 million in ill-gotten gains. We are concerned that the underlying bill could inadvertently undermine those authorities, but your amendment will preserve them.

Finally, I note that the American Gas Association, the American Public Power Association, the American Wind Energy Association, the Edison Electric Institute, the Electric Power Supply Association, the Large Public Power Council, the National Association of Regulatory Utility Commissioners, the Natural Gas Supply Association, California ISO, PJM Interconnection, L.L.C., and COMPETE support your amendment.

Sincerely,

JON WELLINGHOFF,  
Chairman.

NATIONAL ASSOCIATION OF  
REGULATORY UTILITY COMMISSIONERS,

May 10, 2010.

Re Bingaman, Murkowski, Reid Amendment to the "Restoring American Financial Stability Act" (S. 3217).

Hon. JEFF BINGAMAN,  
Chairman, Committee on Energy & Nat. Resources, U.S. Senate.

Hon. LISA MURKOWSKI,  
Ranking Member, Committee on Energy & Nat. Resources, U.S. Senate.

Hon. HARRY REID,  
Majority Leader,  
U.S. Senate.

DEAR CHAIRMAN BINGAMAN, RANKING MEMBER MURKOWSKI, AND MAJORITY LEADER REID: On behalf of the National Association of Regulatory Utility Commissioners (NARUC), I write to you today to express NARUC's strong support for your amendment to the "Restoring American Financial Stability Act" (S. 3217) addressing federal and State electric and gas utility rate jurisdiction. Your Amendment correctly confirms State and federal regulatory authority to ensure that retail and wholesale energy consumers pay just and reasonable rates for utility service.

The FERC and the States are the regulatory agencies with the necessary expertise and statutory mandates to oversee electricity and natural gas markets to protect the public interest and consumers. S. 3217 should not preempt FERC and the States from continuing to exercise their authority under existing law to ensure consumers pay just and reasonable rates for reliable utility service. These markets that are already regulated by FERC and the States under accepted tariffs or rate schedules should remain subject to this existing regulation, which includes jurisdiction over physical and financial transmission rights and market oversight.

NARUC thanks you and your colleagues for offering this important amendment. By continuing FERC and State authority, under S. 3217, to oversee any agreement, contract, transaction, product, market mechanism or service offered or provided pursuant to a tariff or rate schedule filed and accepted by the FERC and/or the States, we believe this

amendment ensures that the consumers and the public interest will be protected.

Sincerely,

CHARLES D. GRAY,  
Executive Director.

AMERICAN FARM BUREAU FEDERATION,  
Washington, DC, May 14, 2010.

DEAR SENATOR: On May 13, the American Farm Bureau Federation (AFBF) wrote you in opposition to Senate Amendment #3892 to be offered by Senator Jeff Bingaman (D-N.M.) to S. 3217, the Senate financial markets reform package. Sen. Bingaman has modified the amendment since that time and we wish to notify you that we can now support it.

The amendment acknowledges and protects continued Federal Energy Regulatory Commission (FERC) jurisdiction over physical natural gas and electricity transactions. In addition, the amendment acknowledges continued Commodity Futures Trading Commission (CFTC) jurisdiction over energy futures and options contracts traded on CFTC-regulated exchanges. The CFTC has long had regulatory authority over exchange-traded futures and options transactions, and this has worked well to maintain the price discovery function of these markets.

Finally, the amendment provides that the new CFTC jurisdiction over "swaps" (contained in S. 3217) does not change this status quo allocation of jurisdiction between FERC and the CFTC. Rather, the amendment now sets forth an expedited and cooperative exemption process to allow both regulatory agencies to fulfill their obligations to the American public.

We appreciate your work on this important legislation.

Sincerely,

BOB STALLMAN,  
President.

Mr. BINGAMAN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 4072 TO AMENDMENT NO. 3739

Mr. GRASSLEY. Madam President, I ask unanimous consent to set aside the pending amendment for the purpose of calling up amendment No. 4072.

The PRESIDING OFFICER. The clerk will report the amendment.

The Senator from North Dakota.

Mr. DORGAN. Madam President, I object.

The PRESIDING OFFICER. The Senator has the right to call up his amendment under the previous order.

The clerk will report the amendment.

The assistant editor of the Dailey Digest read as follows:

The Senator from Iowa [Mr. GRASSLEY] proposes an amendment numbered 4072 to amendment No. 3739.

Mr. GRASSLEY. Madam President, I ask unanimous consent to waive the reading of the amendment in the whole.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for the independence of Inspectors General of certain designated Federal entities, and for other purposes)

Strike 989B, insert the following:

#### SEC. 989B. DESIGNATED FEDERAL ENTITY INSPECTORS GENERAL INDEPENDENCE.

Section 8G of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in subsection (a)(4)—

(A) in the matter preceding subparagraph (A), by inserting "the board or commission of the designated Federal entity, or in the event the designated Federal entity does not have a board or commission," after "means";

(B) in subparagraph (A), by striking "and" after the semicolon; and

(C) by adding after subparagraph (B) the following:

"(C) with respect to the Federal Labor Relations Authority, such term means the members of the Authority (described under section 7104 of title 5, United States Code);

"(D) with respect to the National Archives and Records Administration, such term means the Archivist of the United States;

"(E) with respect to the National Credit Union Administration, such term means the National Credit Union Administration Board (described under section 102 of the Federal Credit Union Act (12 U.S.C. 1752a);

"(F) with respect to the National Endowment of the Arts, such term means the National Council on the Arts;

"(G) with respect to the National Endowment for the Humanities, such term means the National Council on the Humanities; and

"(H) with respect to the Peace Corps, such term means the Director of the Peace Corps"; and

(2) in subsection (h), by inserting "if the designated Federal entity is not a board or commission, include" after "designated Federal entities and".

#### SEC. 989C. STRENGTHENING INSPECTOR GENERAL ACCOUNTABILITY.

Section 5(a) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (12), by striking "and" after the semicolon;

(2) in paragraph (13), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(14)(A) an appendix containing the results of any peer review conducted by another Office of Inspector General during the reporting period; or

"(B) if no peer review was conducted within that reporting period, a statement identifying the date of the last peer review conducted by another Office of Inspector General;

"(15) a list of any outstanding recommendations from any peer review conducted by another Office of Inspector General that have not been fully implemented, including a statement describing the status of the implementation and why implementation is not complete; and

"(16) a list of any peer reviews conducted by the Inspector General of another Office of the Inspector General during the reporting period, including a list of any outstanding recommendations made from any previous peer review (including any peer review conducted before the reporting period) that remain outstanding or have not been fully implemented.".

#### SEC. 989D. REMOVAL OF INSPECTORS GENERAL OF DESIGNATED FEDERAL ENTITIES.

Section 8G(e) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) by redesignating the sentences following "(e)" as paragraph (2); and

(2) by striking "(e)" and inserting the following:

"(e)(1) In the case of a designated Federal entity for which a board or commission is the head of the designated Federal entity, a removal under this subsection may only be made upon the written concurrence of a 2/3 majority of the board or commission.".